



MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE

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Tennessee Division of Consumer Affairs Warns Consumers of Telemarketing Frauds

Nashville, TN - - The Tennessee Division of Consumer Affairs warns consumers to be aware of the various telemarketing frauds that are looking to get your money or personal information.

Telemarketing frauds are often committed by large operations known as a “boiler rooms.” Boiler rooms are rented spaces with desks, telephones and seasoned operators who call hundreds of people across the country everyday. These operators will say anything to get your money and are good at what they do. They may claim they are collecting donations for a charity or offer you a free prize if you will simply pay for the shipping charges. Regardless of the sales tactics, all telemarketing frauds have two things in common - - they pressure you to make an immediate decision and they require a victim’s participation.

Telemarketing Fraud is a multi-billion dollar business in the United States and accounted for more than 1 out of 10 frauds reported to the Federal Trade Commission in 2007.

“Anyone with a phone is the potential target of telemarketing fraud,” said Mary Clement, Director of the Tennessee Division of Consumer Affairs. “However, these scams can be prevented if consumers know how to recognize them.”

The Tennessee Division of Consumer Affairs offers these tips to help consumers recognize a potential scam:

- **Do not make an immediate decision.** Always ask for information in writing and do a little research on your own before investing or making a payment.
- **Do not give your personal information to unknown callers** (credit card, checking account or Social Security numbers).
- **Be cautious of statements that claim you are a prize winner** – particularly if the caller asks you to send money to claim it. Telemarketers must tell you that no purchase or payment is necessary to enter or win.
- **Do not send cash by messenger or overnight mail.** If you use cash rather than a credit card in the transaction, you may lose your right to dispute fraudulent charges.
- **Check to see if a charity is legitimate.** Contact the Secretary of State’s Office at www.tn.gov/sos/charity . Ask the caller how much of your donation will actually go to the charity and get it in writing before you make a donation

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**CONTINUED- - TENNESSEE DIVISION OF CONSUMER AFFAIRS WARNS
CONSUMERS OF TELEMARKETING FRAUDS**

- **Check to see if an investment company is legitimate.** Contact the Securities Division at www.tn.gov/commerce/securities .
- **Check to see if a business has any complaints on file.** Contact the Tennessee Division of Consumer Affairs at www.tn.gov/consumer or check with your local Better Business Bureau.

If you are the victim of a telemarketing scam, it is important that you report it. You can file a complaint online with the Tennessee Division of Consumer Affairs at www.tn.gov/consumer or request that a complaint form by calling 1-800-342-8385. The information that you provide may prevent others from being victimized.

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